

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of

APPLICATION OF FRIENDLY UTILITIES, INC.)
FOR AUTHORITY TO ACQUIRE AND TO OPERATE)
THE SEWAGE TREATMENT PLANT OWNED BY) CASE NO. 8459
FUTURE FEDERAL SAVINGS AND LOAN)
ASSOCIATION IN JEFFERSON COUNTY, KENTUCKY)

O R D E R

IT IS ORDERED that Friendly Utilities, Inc. shall file an original and six copies of the following information with this Commission by March 30, 1982.

(1) An income statement and balance sheet for Friendly Hills East Sewer System dated within 90 days of the application. If said financial exhibits reflect accounting transactions relevant to the purchase agreement, provide additional balance sheet dated prior to the inclusion of such accounting transactions.

(2) An income statement and balance sheet for Friendly Utilities, Inc. dated within 90 days of the application.

(3) Beginning with applicable responses to items 1 and 2, provide the proposed journal entries to consummate the purchase agreement reflecting all entries necessary to close and open the respective books of record to achieve the response to item 4.

(4) An estimated pro forma balance sheet subsequent to the consummation of the purchase agreement.

(5) A narrative in such detail as to describe the form of business combination merger proposed, the method of arranging said business combination and the method of accounting for said business combination. What other methods were considered? Is this method in accordance with generally accepted accounting principles? Why was the particular method chosen? What are advantages or disadvantages to the customers? To the stockholders?

(6) Has all plant in service constructed from contributions in aid of construction been properly recorded on the books of record of Friendly Hills East Sewer System? If not, provide an explanation and the original or estimated original costs of plant in service not recorded on the books.

(7) Provide a detailed explanation as to the reasons for the transfer of Friendly Hills East Sewer System to Friendly Utilities, Inc.

Done at Frankfort, Kentucky, this 16th day of March, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Vohs
Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary